Secret

25X1



DIRECTORATE OF INTELLIGENCE

# WEEKLY SUMMARY

**Secret** 

44

24 July 1970 No. 0380/70

State Dept. review completed



## CONTENTS

(Information as of noon EDT, 23 July 1970)

Page	
FAR EAST	
South Vietnam	
Laos: Peace Straws in the Wind	
Cambodia: Neighborly Cooperation	
Communist China - USSR	
EUROPE	
West Germany: Bilateral Talks with the East	
	25X6
Arms Control Talks: Verification Issues	
USSR: No Big Economic Changes in the Making	
Czechoslovakia: Party Battle Lines Draw Tighter	
Finland: Friendship Pact Renewed with Moscow	
MIDDLE EAST - AFRICA	
The Tan-Zam Railroad: China's Largest Aid Project Moves Ahead 13	
	25 <b>X</b> 6
Egypt	
	25X1

# **SECRET**

Page i WEEKLY SUMMARY 24 Jul 70

SEKOU TOURE'S GUINEA	25 <b>X</b> 1
Saudi Arabia: King Faysal Builds Some Fences	
Cyprus: Communist Electoral Gains	
	25X
WESTERN HEMISPHERE	¬ 25X1
	25/1
Guatemala: Watchful Waiting	_
Ecuador: Ineptitude, Infighting, and Pressure Groups	
Bolivia: Guerrilla Activity	

#### **FAR EAST**

#### South Vietnam

Thieu's Cambodia Policy

President Thieu seems determined to maintain a cautious, pragmatic approach to dealing with the Communist threat in Cambodia. When he met with top Cambodian leaders last week at Neak Luong, Thieu publicly stressed that a formal military alliance of anti-Communist Indochinese states was neither practical nor necessary. He called instead for broader international assistance in support of Phnom Penh.

Thieu has always been careful to keep limits on South Vietnam's commitment to Cambodia. He resisted proposals last month by Vice President Ky that would have broadened South Vietnamese military operations in Cambodia and tied down numerous forces in static defense. More recently, Thieu disapproved of Ky's efforts to promote a formal military alliance with Thailand and Laos to help Cambodia.

A good deal of Thieu's low-keyed approach probably stems from his own assessment that the Communist threat in Cambodia is not critical and is unlikely to become so in the immediate future. If the Communists should mount an offensive that poses a real thhreat to Phnom Penh and other key points in the southern part of the country, Thieu would probably be willing to intervene with more substantial South Vietnamese South Vietnamese general staff has prepared contingency plans for several divisions to move to the defense of the Cambodian capital.

Meanwhile, Thieu is working on practical measures, such as equipping and training Cambodians, while downplaying alliances and other

formalities that could complicate the situation and raise sensitive issues such as Cambodian and Laotian neutrality.

South Quiet, But Northern Threat Grows

Military activity in South Vietnam remains light, although small Communist units are active in many areas, and Saigon was harassed with rocket fire for the first time in more than two months. In addition, the North Vietnamese are continuing to build up strength in the area just below the Demilitarized Zone. This buildup could put the enemy in position for strikes toward the populated area along South Vietnam's northern coast. The North Vietnamese may hope that such a threat now would have the added benefit of diverting South Vietnamese commanders from carrying out rumored plans to attack the Ho Chi Minh trail in Laos.

Government Tougher Against Peace Agitators

Following last week's peace agitation by students and militant Buddhists, the government has taken an increasingly harder line against dissent that tends to undercut the war effort.

In a speech to a military audience, President Thieu warned that "we will beat to death the people who are demanding immediate peace in surrender to the Communists." Some of his speech was obviously calculated to reassure the army that the regime will not countenance eventual coalition with the Communists. In this vein, for example, Thieu said, "I am ready to smash all movements calling for peace at any price because I am still much of a soldier.'

The police have warned the public that they will use more forceful measures to break up peace demonstrations. They recently pursued demonstrating students into the university grounds, and

#### SECRET

25X1

25X1

during the past week carried the tougher tactics one step further by invading a school building and battling students after speakers advocated ending university military training.		25. 25
The government has probably taken a more serious view of antiwar dissent recently, because of a new feeling in South Vietnam that some movement in the Paris negotiations is likely in the near future. The government's nervousness over any new formulation on political settlement was shown when the Saigon press was asked to delete some remarks by Secretary Rogers on 15 July concerning the possibility that the Communists might be willing to negotiate.		
Economic Reform Delayed Again	This is the latest in a series of delays encountered by this essential but unpopular legislation, and the Senate elections appear to be a convenient excuse for postponing action. Although Thieu had sought early Assembly passage,	

the elections.

# **SECRET**

Further action on legislation to give the Thieu government special economic decree

he too may now be prepared to wait until after

25X1

# 

#### Laos: Peace Straws in the Wind

In Vientiane this week the senior Pathet Lao representative, Soth Pethrasy, provided some clues as to what the still anticipated Communist proposal for negotiations may contain. It is by no means certain that Soth is privy to what Hanoi and Laotian Communist leader Souphanouvong have in mind, but his remarks are interesting because of their detail and because they are not inconsistent with other indications of Communist interest in initiating meaningful negotiations with the government in the near future.

Soth asserted that, if an agreement to talk could be worked out between Prime Minister Souvanna Phouma and the envoy expected shortly from Souphanouvong, the ensuing negotiations would be the most important between the Lao factions since 1961 and would be regarded by the Communists as a "summit meeting." As an indication of the significance the Pathet Lao attach to the prospective talks, Soth claimed that Souphanouvong's envoy will be of a higher rank than the colonel who delivered a peace bid last March.

In discussing the substance of the possible negotiations, Soth omitted any mention of the usual Communist demand that a total halt in US bombing be a precondition for a discussion of the issues. Instead, he stated that a termination of the bombing could be one of the two main subjects of the negotiations. The other, according to Soth, would be the composition of the coalition government. He thought that the Communists would be interested in only four ministerial seats and would expect equal representation for the neutralists.

The Pathet Lao representative stressed that the negotiations must be bilateral, asserting that the Laotian Communists want no part of a larger settlement for Indochina worked out by the US and the North Vietnamese. Soth cited the recent capture of Attopeu and Saravane as indications that the Pathet Lao would be negotiating from a position of strength and claimed that Souphanouvong's willingness to negotiate when the Communists already controlled three fourths of the country constituted a demonstration of good faith

The accuracy of Soth's information about the Pathet Lao position will be in doubt until Souphanouvong's messenger arrives. If the Communists prove to be as forthcoming as Soth claims, it is likely that Souvanna, prompted by a deteriorating military situation, will be accommodating in his response.

North Vietnamese and Pathet Lao forces continued to put pressure on government troops in several widely scattered areas of the country this week. In the far northwest, they overran an outpost that protected one of the principal government bases with access to the Chinese road-builders along Route 46. In the panhandle they repulsed a three-battalion force attempting to interdict the enemy supply line on Route 23 south of Muong Phine.

Along the eastern edge of the Bolovens Plateau, government units attempting to re-establish a base area on Phou Nongtao mountain were repeatedly attacked and the existing irregular outposts on the plateau also continued to receive mortar fire and occasional ground probes. In the far south, the Communists mounted company and battalion-sized assaults on government positions on both banks of the Mekong opposite Khong Island.

25X1

# Cambodia: Neighborly Cooperation

Prime Minister Lon Nol this week for the first time met with the top Vietnamese and Thai leadership to discuss the prospects for closer military cooperation against the Communists in Cambodia. In a meeting at the Cambodian Mekong River town of Neak Luong, site of a large Vietnamese Army base, South Vietnamese President Thieu apparently held to his pledge to review each Cambodian request for military assistance on a case by case basis, and said that a formal military alliance is both impractical and unnecessary.

Lon Nol's visit to Bangkok this week marked his first trip outside the country since Sihanouk's ouster in mid-March. He was expected to tell the Thais that it is in their interest to intervene militarily in Cambodia without, however, advocating the formation of an alliance.

According to press reports, Thai Premier Thanom informed Lon Nol that Thailand would extend all possible aid to Cambodia, but the decision to send Thai troops would depend on Bangkok's capabilities and the gravity of the Cambodian situation. He further made it clear that Bangkok does not consider a military alliance with Cambodia practical.

Cambodian-Thai cooperative efforts, meanwhile, continue to move ahead. The Thais suffered their first casualties in Cambodia when a combined force of Thai border and provincial police and Cambodian Army troops clashed with a small Communist unit near Ban Phai village on 15 July. It is not clear if the Thai police action was authorized by Bangkok, however. On 20 July the first contingent of Cambodian trainees reached Thailand for 16 weeks of intensive military training. The two countries have also agreed to reopen the Phnom Penh - Bangkok rail line, which has been closed for nine years.

Military activity during the past week was relatively light, although sporadic heavy fighting flared up in widely separated areas of the country. Fighting again erupted in the mountain resort town of Kirirom which government forces recently re-entered after days of heavy combat. North of Phnom Penh, enemy activity in Kompong Chhnang Province increased. The government's main infantry training center at Romeas was heavily damaged and government defenders suffered sizable losses in repulsing a Communist attack on 21 July. The provincial capital was also shelled and some enemy troops managed to infiltrate the outskirts of the city.

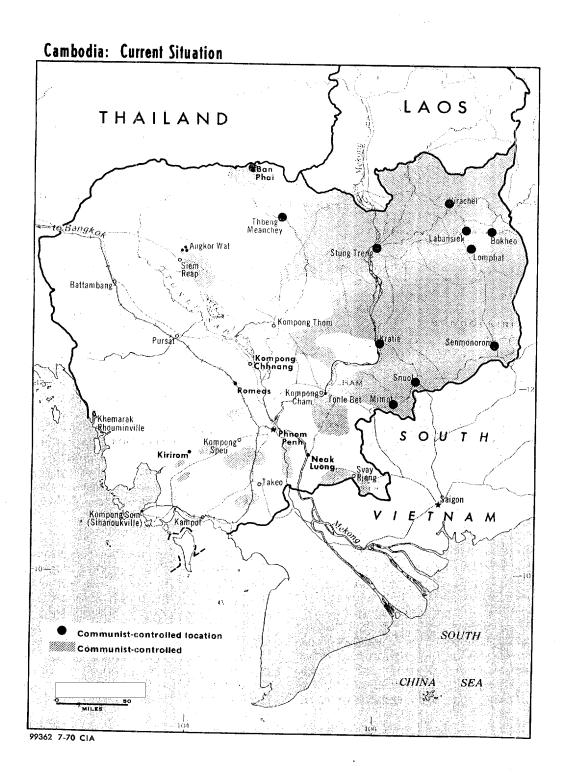
The Communists appear to have experienced some success in organizing the indigenous population in areas under their control in eastern Kompong Cham province. Following standard Communist practice, Vietnamese Communists in mid-April moved quickly to establish local hamlet committees and to organize and train a hamlet the people were 25X1 generally satisfied with and supported these committees. This part of Cambodia has a history of leftist influence; the Communists are probably 25X1 having a harder time in other areas.

#### SECRET

**WEEKLY SUMMARY** 24 Jul 70 Page 4 Approved For Release 2008/10/03: CIA-RDP79-00927A008100010001-3

25X1

# **SECRET**



Speak number

25X1

Page 5 WEEKLY SUMMARY 24 Jul 70

# Communist China - USSR

The absence from Peking of the chief Soviet negotiator, Deputy Foreign Minister Kuznetsov, has not disrupted the deadlocked Sino-Soviet border negotiations. Soviet Foreign Ministry officials privately informed foreign diplomats last week that since Kuznetsov returned to Moscow on 30 June the talks have been continuing on a business-as-usual basis under the supervision of his deputy, General Gankovsky. Kuznetsov reportedly is recovering from the illness that forced his departure, but one Soviet diplomat hinted last week that the envoy would not be returning to the talks.

Neither Soviet nor Chinese officials have commented on recent Western press reports from Moscow which claim that Deputy Foreign Minister Ilichev has been designated as Kuznetsov's replacement in the Peking talks. Ilichev, who was Khrushchev's chief propagandist and who was closely associated with the anti-Chinese polemics of the early 1960s, has been in partial disfavor since Khrushchev's ouster. Although the Chinese would probably take a somewhat jaundiced view of Ilichev's nomination, his appointment would satisfy their desire to have the talks continue at the deputy foreign minister level. At the same time, it would serve Soviet interests by allowing Moscow to assign Kuznetsov to productive work elsewhere.

the US that the widely rumored exchange of ambassadors between Moscow and Peking will take place "soon." Other diplomats in Moscow report that the Chinese, after a three-month delay, have finally approved Moscow's choice, reported to be a former high-ranking propaganda official, Vladimir Stepakov. Western diplomats in Peking also add that China has in fact reciprocated by nominating Liu Hsin-chuan, a Foreign Ministry official who had been in trouble during the Cultural Revolution, as ambassador to Moscow.

Soviet officials, meanwhile, have informed

Given Peking's stony silence on the issue and the Soviets' penchant in the past for making overly optimistic—and self-serving—noises about an ambassadorial exchange, it is difficult to assess the validity of the latest rumors. Late last year, Peking reportedly agreed "in principle" to exchange ambassadors, but since then it has consistently refused to grant agrement to Moscow's nominee. The Chinese have feared that Moscow has been irritated over the lack of progress at the border discussions and would exploit the appointment in order to downgrade the negotiations to the ambassadorial level and to bring Kuznetsov home. If the reports, that Moscow now intends to replace Kuznetsov with a similarly high-ranking envoy, turn out to be true, however, China's suspicions over an ambassadorial exchange might be substantially reduced.

25X1

INDONESIA: President Suharto's firm but courteous treatment of crusading student leaders seems to have earned their respect. During two lengthy sessions on 14 and 18 July with student leaders, who are demanding action against government corruption, Suharto said he thinks the students' anticorruption initiative is generally constructive, but that he will not permit any action that endangers economic development. Suharto has been particularly tolerant of student criticism and, up to a point, has been responsive to it.

However, he sees much of Indonesia's corruption—which is actually modest when compared to that in some Asian countries—as developing from the basic economic problems that the government is trying to overcome. The Students Anticorruption Committee, which draws support from all student organizations, is planning a massive "moratorium" night on 15 August to give the government "moral support" in its fight against corruption. After this final fling, the committee plans to dissolve itself.

25X1

#### SECRET

Page 6 WEEKLY SUMMARY 24 Jul 70

#### **EUROPE**

West Germany: Bilateral Talks with the East

The pace of Bonn's Ostpolitik is picking up again, amid signs that West Germany's negotiating partners are eager to resume talks. Early next week the Soviets will receive West German Foreign Minister Scheel in Moscow for talks aimed at the conclusion of a renunciation-of-force agreement that would be the key achievement of Bonn's overtures to the East. West German and Polish negotiators resumed their talks on a bilateral agreement earlier this week, and even the reluctant East Germans began to hint that they were prepared for another summit meeting with the West Germans.

In Bonn, although officials are generally optimistic about the treaty with Moscow, Chancellor Brandt sounded a note of caution, pointing out that although important elements of a treaty text exist, the treaty itself remains to be negotiated. After visiting London and Washington to explain the West German negotiating position, Scheel returned to Bonn and the cabinet met on 23 July to draw up his final guidelines. The Christian Democrats, reaffirming their strong opposition to the venture, declined the government's invitation to send an observer along to Moscow.

In a conciliatory speech last week, party chief Ulbricht reiterated East Germany's willingness to participate in a third summit meeting with the West Germans. For the first time, however, he linked such a meeting to Bonn's signature of the nonaggression pact with Moscow and he remained adamant on the issue of de jure recognition by Bonn. Ulbricht's remarks indicate he is well briefed on the progress of Bonn's talks with Moscow and Warsaw and does not wish to give the impression that his regime is the stumbling block to Brandt's efforts to normalize relations with the East.

The line taken in recent weeks by East German officials and media indicates that Pankow wants to encourage Bonn's Ostpolitik. Personal and political attacks on Brandt and members of his government have ceased, and the focus of normal East German polemics against "FRG revanchism" has been shifted to Christian Democratic opposition to Brandt's policies.

In Warsaw, Polish officials expect to begin the actual drafting of a border treaty during the fifth round of the political talks slated for 23-24 July. They have, however, expressed some concern over West German intentions to seek changes also in this agreement, and have cautiously refrained from predicting when final agreement would be reached.

25X1

WORLD YOUTH ASSEMBLY: The concept of annual meetings for youth under UN auspices was probably the main casualty of last week's friction-marred World Youth Assembly in New York. Ruthless tactics by the Communists in the Commission on World Peace, the only subordinate body they dominated, and the obvious governmental control of several delegations from Communist countries provoked considerable resentment. One consequence of these tactics was the Assembly's decision to merely "note" and not to adopt the extremely anti-US report of the Commission on World Peace.

25X1

# SECRET

24 Jul 70 **WEEKLY SUMMARY** Page 7

	25X6

# Arms Control Talks: Verification Issues

The 25 participants in the Geneva disarmament conference continue to focus on the two topics that have highlighted this year's agenda: chemical and biological warfare (CBW) and the US-Soviet draft treaty limiting military use of the ocean floor. In recent weeks, however, some in-

terest in the subject of general and complete disarmament (GCD) has been revived, especially interest in proposals to provide adequate means for verifying compliance with more far-reaching arms control efforts in the future.

## **SECRET**

The Soviets last week told the US that they would no longer oppose any changes in the draft seabeds treaty. In subsequent US-Soviet staff-level discussions, however, the Soviets have not demonstrated any significant degree of flexibility. They especially oppose adding any terminology on international verification procedures, including the use of the good offices of the UN secretary general. A few such changes in the text would measurably enhance prospects for endorsement of the treaty at the fall session of the UN's General Assembly. Brazil, a strong opponent of the treaty, may, however, be able to secure Latin American opposition en bloc to any draft by playing on concerns aroused by US and Soviet positions on other maritime issues.

The conferees remain deadlocked over two approaches to the CBW problem, one embodied in a Soviet draft CBW treaty and the other in a UK draft applicable only to BW. Toxins will be included in the latter if the British, as expected, accept an amendment suggested by the US. The nonaligned among the 25 generally favor a comprehensive attack on CBW. Like the Western powers, however, they question the adequacy of the verification provision in the Soviet proposal—

appeal to the UN Security Council for investigation of a complaint. The impasse on CBW is not likely to be broken at this year's session, which should end in late August or early September.

Italy has taken special interest in GCD at the Geneva talks, and was instrumental in the formation of a nine-nation informal working group on the subject. Sweden has been among the most active of the group's members, producing a detailed analysis of the verification provisions of existing arms control agreements. The Swedes emphasize the need for conventional disarmament within GCD, believing this should be accomplished on a regional basis and related to a strengthening of the peacekeeping machinery of the UN.

Stockholm has also suggested that consideration be given to guidelines for verification within a GCD framework, e.g., verification by challenge and systematic evaluation of disarmament progress by comparing rates of armament and disarmament in national budgets. Belgian Foreign Minister Harmel may offer an initiative in this area at the UN General Assembly.

25X1

# USSR: No Big Economic Changes in the Making

Delay in publishing the 1971-75 economic plan seems to be due to a combination of factors including traditional bureaucratic tardiness and disagreement within the leadership on priorities, organizational matters, and measures for stimulating technological progress. There is little likelihood that the plan, which was to have appeared in 1968 and now is scheduled to be firmed up by next March, will call for major changes in economic policy.

Soviet economic planning typically falls behind schedule as the bureaucracy grinds its way

through mounting economic complexities and resolves contentious questions. This time a promised attempt to incorporate more detail may aggravate the situation.

To date, only the agricultural targets for 1975 have been published and these are only moderately ambitious. Most of the output goals will be achieved if the percentage increases attained in the new plan period are similar to or, in certain instances, even somewhat lower than those attained in the current five-year period. Investment in agriculture is to be increased by a

## **SECRET**

substantial amount, but by a smaller percentage than in the current period.

Some other important features of the forthcoming plan have been predetermined by prior commitment of the regime to long-term programs. A major expansion of the motor vehicle industry is well under way, and a big program to expand oil production in West Siberia has been undertaken.

The inherent conservatism of the present Soviet leaders imposes further constraints on the plan. Brezhnev, Kosygin, and company are unlikely to order such precipitous changes as Khrushchev did in the 1950s and early 60s. Indeed, the all too conventional program announced for agriculture is timely evidence of their continuing lack of audacity and new ideas.

Disagreements among the leaders appear to be an important factor in the tardiness of the

1971-75 plan. Such disputes are endemic to the Soviet system, however, and there is no evidence that their current intensity is abnormal. Now that the plan for agriculture has been nailed down, points at issue probably include priorities for the allocation of economic resources among the remaining sectors.

In the recent pre-election speeches, Brezhnev, Podgorny, Kirilenko, Suslov and, to a lesser extent, Shelest seemed to favor heavy industry and defense. Kosygin, Mazurov, Voronov, Shelepin, and Polyansky gave preference to the producers of consumer goods. There also seems to be contention on questions of economic organization and measures for stimulating technological progress. Brezhnev is identified with those who stress the importance of increased discipline, and Kosygin has been a defender of the economic reform.

25X1

# Czechoslovakia: Party Battle Lines Draw Tighter

Party leader Husak is making his move to establish a middle-of-the-road rule and silence his conservative critics. He may well succeed in blunting demands for harsher treatment of ex-reformists, but he still faces the formidable and unpromising task of generating popular support for his policies.

The regime last week reacted vigorously to charges published by a leading hardliner virtually accusing the leadership of criminal negligence for its failure to expunge all ex-reformists from political and administrative positions, to punish them, and to establish a more dictatorial party mechanism. In its strongest counterattack to date, the party leadership responded that such dogmatic attacks could only lead to a rekindling of the recent party crisis. In effect, the leadership

warned that its conservative opponents, who have enjoyed considerable immunity from party discipline, will now have to answer for their deviation from the party line. Such hints have been made in the past by Husak, but this time the threat is more openly expressed.

The article emphasized that the party would continue its conciliatory policies toward repentant liberals. While remaining determined to purge recalcitrants, it was committed to building public confidence through "persuasion," not fear.

At the same time, the leadership has moved to reduce its vulnerability on the issue of former party chief Dubcek, thus depriving the conservatives of a focus for their attack. In its definitive interpretation of Dubcek's role in the 1968

reform movement, also published last week, the party intended to destroy what it considers the false Dubcek legend, allegedly concocted by "antisocialists" and nourished by Western propaganda. The article warned that Dubcek should be regarded as a dupe whose weaknesses led to the most severe crisis in the party's history.

The article admitted to the party's mistake in choosing Dubcek, a compromise candidate, to lead it out of the shambles of the Novotny era. In explanation, his tenure was described as an aberration, brought on by an overemphasis of party "unity" when the party should have sought a more qualified man. Nevertheless, by condemning the shortcomings of the Novotny as well as the Dubcek era, the leadership has sought to further

discredit the conservatives, many of whom are ex-Novotny men. The article falls short of accusing Dubcek of criminal actions, however, indicating the leadership's determination to resist conservative demands for his political trial.

A second purpose behind the move to deflate the Dubcek image is to help the regime break down resistance to party policies. Dubcek is still popular not only with the public but in the party rank-and-file. This fact, buttressed by Dubcek's refusal to recant in the face of extreme pressure, will continue to be an obstacle to Husak's campaign of "reconciliation."

25X1

# Finland: Friendship Pact Renewed With Moscow

An agreement extending the Soviet-Finnish Friendship Treaty for another 20 years was the principal result of Finnish President Kekkonen's visit to the USSR this week.

There were indications that unusually significant negotiations with the Soviets were in the offing—possibly including renewal of the treaty five years before its expiration. In recent weeks Kekkonen made special efforts to assure that a majority government acceptable to the Soviets was in power in Helsinki before he went to Moscow. This involved his personal intervention to arrange the establishment last week of a centerleft coalition under Prime Minister Ahti Karjalainen. The new government differs very little from those that have dominated Finnish politics since 1966.

The treaty was originally concluded in 1948 and was renewed in 1955 for 20 years. The reasons for its early renewal now are not entirely clear, but the evidence indicates that the Finns

Page 11

acted at Soviet behest. Foreign Minister Leskinen stated publicly on 15 July that the initiative had been taken by party chief Brezhnev during a visit by Kekkonen to Moscow last February. Although Soviet leaders apparently view the treaty as the essential foundation for their especially close relationship with Finland and wanted to assure its extended continuation, these factors alone do not adequately explain their haste. Perhaps they wanted to get the matter resolved before the accommodating Kekkonen could be removed from the scene by death or retirement. Also, perhaps Kekkonen reflected Soviet as well as Finnish sentiments when he observed that the extension was important as an example of the implementation of peaceful coexistence between countries of different political, economic and social systems.

Although the Finns sought language in the treaty preamble explicitly acknowledging Finland's neutrality, the original text was not changed. Instead, the Finns had to settle for a

#### SECRET

WEEKLY SUMMARY 24 Jul 70

joint communiqué stating that Finland's policy of neutrality contributes in a valuable way to international peace. The communiqué's endorsement of Finnish initiatives for a conference on European security is, of course, pleasing to Helsinki as well as to Moscow. In 1955, however, the Finns gained more from the treaty's renewal because it was linked to the termination of the Soviet base at Porkkala near Helsinki.

The Soviets and the Finns also discussed various bilateral economic matters, including Finnish purchases of a second nuclear power reactor and natural gas from the USSR. The Finns also informed the Soviets, who apparently did not protest, of their intention to continue to negotiate some arrangement facilitating trade with the European Communities as a counterpart to the Finns' accommodation of Soviet desires.

25X1

ITALY: The failure of conservative Christian Democrat Giulio Andreotti to form a new center-left coalition increases the possibility that an interim minority government will be put in power until fall. Although President Saragat may still ask some rising Christian Democratic leader like Paolo Taviani to make another attempt at a center-left coalition, there is little evidence that a new premier-designate would succeed where Andreotti failed. The traditional Italian two-week vacation period beginning on 15 August has in the past

proved to be a compelling argument for a pause in Roman political maneuvering. A minority government would limit cabinet posts to Christian Democrats but would expect the parliamentary support of the Socialists, the Unitary Socialists, and the Republicans. Two possible interim prime ministers are Giovanni Leone, who headed a minority Christian Democratic government in the summer of 1968, or Emilio Colombo, a principal architect of the steady economic policy that almost all Italian political leaders appear both to support and to prize.

25X1

# Approved For Release 2008/10/03 : CIA-RDP79-00927A008100010001-3 $\overline{\text{SECRET}}$

### MIDDLE EAST-AFRICA

# The Tan-Zam Railroad: China's Largest Aid Project Moves Ahead

Construction on the 1,060-mile Tan-Zam railroad will begin in the fall. Two protocols were signed last week by Communist China, Tanzania, and Zambia, clearing the way for the largest Chinese undertaking in Africa. Its cost nearly matches the total of all other Chinese aid extensions to that area to date. China's willingness to provide the assistance on generous terms and with minimum political conditions will enhance its image as an aid donor on the continent.

Peking will extend slightly more than \$400 million in credit for the construction of the railroad as well as for the provision of locomotives and rolling stock. The interest-free loan is repayable over 30 years with a five-year grace period. In addition to the agreement on financing, the survey and design of the railroad was approved. Chinese technicians have been involved in survey work for nearly two years.

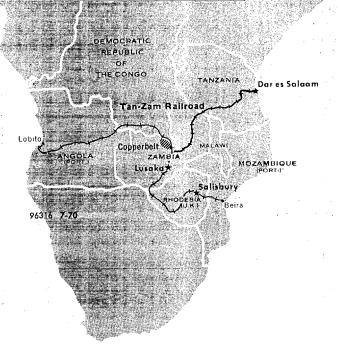
The railroad will extend about 1,060 miles from Kapiri Mposhi near the Zambian copperbelt to the Tanzanian port of Dar es Salaam. When it is completed, land-locked Zambia will be able to ship most of its copper exports, which provide over 90 percent of its foreign exchange, through Tanzania to Dar es Salaam. Zambia now is largely dependent upon railroads running through white southern Africa.

The Zambian minister of development and finance announced that construction would begin in Tanzania in October and take about six years;

some material already has arrived at Dar es Salaam. As many as 2,500 Chinese technicians may be there now. The Zambian minister has said that the eventual number of Chinese technicians would depend on how many skilled Africans could be found locally.

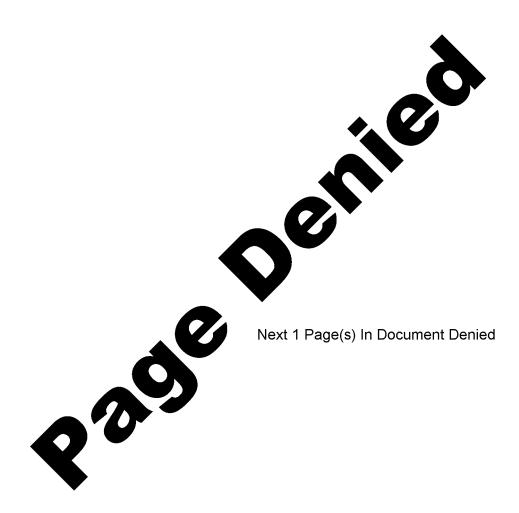
The three countries also have agreed that the Africans would import Chinese consumer goods on credit and use the funds generated from their sale to meet local construction costs. This arrangement will both conserve the African governments' hard currency and contribute to a small increase in China's trade with these countries.

25X1



# SECRET

Page 13 WEEKLY SUMMARY 24 Jul 70



25 <b>X</b> 6
9

# Egypt

Egypt has replied to the US peace initiative in a note handed to the US diplomatic representative in Cairo on 22 July by Foreign Minister Riad. Its public position on the US move was expected to be laid out in President Nasir's speech the following day commemorating the 18th anniversary of the Egyptian revolution. Al Ahram, a semiofficial newspaper in Cairo, earlier in the week had described the initiative as a procedural plan rather than a self-contained peace plan. The newspaper had also indicated final Egyptian acceptance would depend on Israel's complete withdrawal from all occupied Arab territories. Nasir could be expected to make the same demand publicly in his speech. A separate reply from the USSR was due to be presented on 23 July.

The Egyptian response was presumably cleared with Moscow during Nasir's recent 19-day visit, and a softening of Cairo's public position was seen in the communique issued jointly by the USSR and Egypt. The communique predictably reflected Moscow's continued support for Egypt, the Arab cause, and Nasir personally. It did not appear to presage any shift in the Soviet position

on the Middle East problem or any new initiative for its solution. Affirming the support of the two sides for a peaceful settlement of the Arab-Israeli dispute, the document also acknowledged the need for "urgent measures" to halt Israeli aggression and urged other nations to "force Israel to desist" from its present policies. The communique specifically pointed to US aid as the factor responsible for Israel's "aggressive and expansionist" policy.

In reiterating its support for the "just struggle" waged by the Arabs, Moscow again offered the "necesary aid," noting particularly its desire to expand and strengthen Soviet-Egyptian cooperation in the field of defense. Although this is a restrained reference to the full-scale military arrangements that now exist between the two states, the phrasing nevertheless points out that the Soviets are not of a mind to reduce or even check their efforts on Nasir's behalf. For Moscow, the communique was one more way of saying that there can be no move for a settlement unless Israel first commits itself to a withdrawal from Arab territory.

25X1



## Saudi Arabia: King Faysal Builds Some Fences

King Faysal made back-to-back visits to Malaysia, Indonesia, Afghanistan, and Algeria during the period from 6 to 20 June. Although the visits grew out of a Muslim heads of state meeting at Rabat and a successor conference of Islamic foreign ministers in Jidda last spring, Faysal's true purpose in making the trip was to allay a growing sense of isolation and vulnerability that had evolved in Saudi Arabia since the 1967 war. He championed the cause of Islamic solidarity more strongly in the non-Arab Eastern countries than he did in revolutionary Algeria, but his motive was constant: to reassert the importance of his own role in the Muslim world as well as in the Arab conflict with Israel.

The Saudi political position has been weakening gradually for some time; the Arab defeat in the June war, the fall of the Libyan monarchy, the military threats of Yemen and Southern Yemen, and the growing internal dissension have all contributed to the Saudis' sense of foreboding. To counter this flow of events, Saudi Arabia has moved in several directions. It has gained vicarious participation in the battle with Israel by paying quarterly cash stipends to Egypt and Jordan, according to an agreement made at the Khartoum summit conference after the 1967 war. It has also sought to reduce its sense of encirclement by hostile Eastern Arab nations by seeking stronger ties with the Arab states of North Africa as well as Muslim nations outside the Arab world. New

ways are being constantly sought to enhance and confirm Faysal's claim as a pre-eminent Arab leader. As usual, these efforts have been clothed in the respectability of Islamic solidarity.

Faysal's doctrine of solidarity contains four important motifs. First and foremost, he sought to establish his personal role, and he seems to have been most successful in light of the warm welcomes he received. In his effort to bolster the Arab cause among non-Arab Muslims, he was unable to elicit real or new support for an anti-Israeli foreign policy. In his attempt to build the institutional reputation of the Secretariat of Islamic States, which grew out of the Rabat and Jidda meetings, Faysal obtained real success in having the respected Malaysian premier accept the leadership of the Secretariat. Finally, by aligning himself with both moderate Eastern countries and socialist Algeria, the King has sought to mute the common criticism of close Saudi ties with the US.

The results of the trip are probably not as great as Faysal hoped nor as small as critics claim. While certainly enhancing his own reputation, he has also been able to add to the solidarity of Muslim nations by leading Saudi Arabia out of the isolated position it has occupied so long in foreign affairs. These gains are more apparent than real, however, and probably will do little to stem the currents of change.

25X1

SENEGAL-PORTUGAL: Senegal is under Portuguese pressure to restrict the activities of guerrillas that are raiding neighboring Portuguese Guinea. The Portuguese have stepped up military pressure in the border area, including the shelling of Senegalese villages, and have hinted at even stronger military action if cross-border guerrilla raids continue. Senegalese President Senghor is trying to limit the insurgents' activities and

clearly does not want trouble with Portugal. He has, however, complained to the UN and asked Portugal's NATO allies to exert diplomatic pressure on Lisbon. Senghor's attempts to control insurgent activities will be criticized by African nationalists and possibly by domestic political opponents. The Senegalese military reportedly is increasingly restive as the attacks on Senegalese villages go unanswered.

25X1

MOROCCO: King Hassan will probably win approval for his new constitution by a comfortable margin in the referendum on 24 July even though the opposition parties announced they would work for its defeat. The government has gone into high gear to urge the voters to approve the proposed draft, which has not yet been made public. The opposition parties apparently were seriously divided whether to boycott the referendum or to

oppose the constitution; they consider it to be illegal and undemocratic. A railroad strike, called by Morocco's left-wing principal labor union on 19 July, was extended beyond its original 24-hour duration, apparently to demonstrate to the King the extent of labor's opposition to the proposed constitution and to the government's limitations on free electoral campaigning.

25X1

# Cyprus: Communist Electoral Gains

The increased parliamentary representation won by the Greek-Cypriot Communist party AKEL in the parliamentary elections on 5 July has alarmed both the Greek Cypriot moderates and Athens. Estimates of AKEL's voting strength have ranged above one third of the Greek-Cypriot electorate. The party's almost 100-percent turnout and discipline at the polls give it additional voting leverage at a time when the right-of-center majority is badly split and has little experience in mobilizing its voting strength.

AKEL is not likely to exploit its improved position right away. Makarios still controls the country. The council of ministers, drawn from the cabinet he appointed only five days before

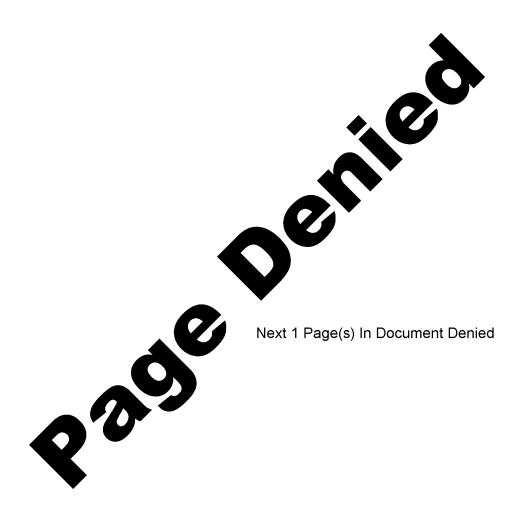
the election, wields far more power than the parliament and is completely dominated by Makarios. AKEL will also probably try to avoid provoking either the anti-Communist Greek Cypriots or the Athens government into direct action against it.

Nonetheless, the recent election gains bring AKEL into position to play an important role in the future. Makarios has accepted its support in the past, and he may need it again. If the two moderate rightist parties continue feuding, AKEL will control a vital swing vote in parliamentary decisions. Most importantly, if Makarios leaves the scene and new presidential elections are held, AKEL support could be decisive.

25X1

SECRET

Page 19 WEEKLY SUMMARY 24 Jul 70



# 

	SUDAN: The Communists suffered a setback in the cabinet shuffle on 22 July. One known Communist was dropped and three others were downgraded, including two who were credited with planning and carrying out the wholesale nationalization of foreign holdings that began in May. The regime has been under pressure from the army to	check the influence of the Communists. The displacement of cabinet Communists—seen as a concession to the army—was foreshadowed by a speech by President Numayri on 16 April in which he said that Sudanese socialism would be in accord with Sudanese traditions, creeds, heritage, and culture.	25X^
	UN - SOUTH AFRICA: The Africans have spent the week energetically trying to round up enough Security Council votes to tighten the voluntary embargo against South Africa that was voted in 1963 and 1964. The language in the Africansponsored resolution that calls for implementation of the embargo "unconditionally and without reservations whatsoever" appeared at the end	of the week to have majority support. One or more of the Western permanent members, however, seemed likely to veto any attempt to "condemn" the sale of arms and to move toward a mandatory embargo. It is still uncertain whether the Africans will in the end prefer a moral victory to a compromise that would get broader support.	25X1
25X6			

WESTERN HEMISPHERE	<b>25X</b> 1
• • • •	

CUBA-BULGARIA: Party and state leader Todor Zhivkov reportedly will head the Bulgarian delegation arriving in Havana on 25 July and may be the highest ranking foreign representative at Cuba's national celebrations on the 26th. His presence would reflect Cuba's attempts to im-

prove relations with East European countries. Zhivkov was scheduled to visit Cuba in early 1968 but his trip was "postponed" at the last minute because of "illness," widely regarded as politically inspired. Cuba's relations with the Soviets had deteriorated at that time.

25X1

# Guatemala: Watchful Waiting

Some strains are developing between President Arana and his supporters because of uncertainty and apprehension about his programs.

Uncertainty about prospects for internal peace and about the direction of the new government's economic policy has almost halted business activity. Major investment decisions are being postponed, the demand for and supply of credit are drying up, and merchants are depleting their inventories. Foreign firms are not implementing expansion plans and even those firms in the private sector expecting the new government to be helpful to their interests are cautiously waiting.

President Arana's developing commitment to social reform probably has caused apprehension in rightist circles. It may produce some conflict with his own close advisers, whose considerable conservatism and alignment with financial interests make them more concerned with economic than social progress.

In the security field, Arana apparently is still determined not to resume extralegal tactics against extreme leftist terrorists, another decision with which some of his associates strongly disagree. To avoid a confrontation with his activist extremist supporters, Arana sent their leader,

Oliverio Castaneda, out of the country for three months. The new minister of defense has placed competent officers in key positions, and high-ranking officers connected with the opposition have been exiled to plush diplomatic posts. The delay in assigning new commanders to key brigades outside the capital area has provoked some grumbling, but most of the officer corps seems to agree that the new military leadership is performing well. A respected civilian police captain, assigned to head the notoriously corrupt Judicial Police, has publicly stated he intends to clean out that organization.

Leftist terrorist groups, relatively inactive in the city recently, have assassinated a number of rural officials connected with Arana's right-wing coalition. In Guatemala City, threats have been received by government officials, Guatemalan and US businessmen, and staff members of international organizations. Kidnapings for ransom also are a continuing problem. Arana has ignored a propaganda bulletin of the Rebel Armed Forces (FAR) offering to participate in a national dialogue about Guatemala's problems.

25X1

DOMINICAN REPUBLIC: The government still has military and police forces on special alert, following the killing last week of Communist leader Otto Morales, but no major disturbances have been reported. Morales headed the Dominican Popular Movement (MPD) and had been sought by security forces since last March when he apparently masterminded the kidnaping of the

US air attaché. Terrorist reprisals are still a possibility, but the recent arrest of Rafael Taveres and Morales' death have robbed the MPD of two of its more effective leaders. In addition, the special security measures authorized by President Balaguer several weeks ago have proved effective in reducing leftist violence.

25X1

COLOMBIA: Disturbances in Bogota last Monday were confined to a stormy session during the opening of the new congress. Several legislators of General Rojas Pinilla's National Popular Alliance (ANAPO) were arrested. Rojas' daughter and her husband, who are senators, were forcibly evicted from the Senate Chamber when she attempted to interrupt President Lleras. Others who shouted insults at the President in connection with last weekend's assassination attempt against activist

ANAPO Senator Ignacio Vives also were removed; the rest of the ANAPO legislators walked out in protest. President Lleras' forceful action probably prevented further disturbances. Security precautions are extensive and the state of siege invoked on 19 July probably will remain in effect through 25X1 the presidential inauguration on 7 August. ANAPO partisans are expected to attempt to mount new disorders at that time.

Ecuador: Ineptitude, Infighting, and Pressure Groups

President Velasco assumed dictatorial power one month ago to maintain public order and bring about needed financial reforms. Although successful in the former, his sweeping economic and social reform decrees have been beset in the ensuing period by administrative ineptness, disagreements within the regime, and business and labor groups opposed to many of the economic strictures.

To retain at least the sufferance of most Ecuadoreans, President Velasco needs to clarify and carry out the economic and social reforms he has promised since freeing himself from what he termed an unworkable constitution and an obstructionist congress. The key to implementation of these reforms is wise and consistent executive performance—never one of Velasco's strong points.

According to the US Embassy, the government's principal ministries are daily scenes of disorganization bordering on chaos. This con-

fusion is being increased by conflicting views as to whether or not certain decrees are in effect or will be enforced. For example, the strike of government employees early this week in Guayaquil has the earmarks of resulting from the government's delay in clarifying one of its new labor decrees.

The government's ability to stand firm on these reforms suffered a major setback last week with the ouster of Finance Minister Gomez, Velasco's most talented cabinet member. Gomez had become the symbol of and the force behind most of the economic program. As such, he was a focal point of criticism by business groups bent on eroding measures that adversely affected their narrow, short-term interests. The banana lobby has already forced back-tracking on the banana export tax.

The government's economic reform program leaves little room for retreat without incurring serious fiscal consequences and increasing Velasco's vulnerability to political attack.

25X1

R۸	livia	: Guerrilla	Activity
DO.	iivia:	: Cruerrina	ACHVHV

The guerrilla raid on 19 July on a US mining company in a remote area north of La Paz has caused military concern that the country may soon be faced with sustained guerrilla operations, possibly on more than one front. The attack, combined with a wave of student and labor unrest, poses the most serious and widespread problem to date for the Ovando government.

The National Liberation Army (ELN) has claimed credit for the raid in which two hostages were seized and company property was sabotaged. The ELN, which is the offspring of Che Guevara's 1967 guerrilla force, demanded that the government release ten of its members in return for the hostages. Despite pressure from the military to take a hard line, President Ovando vielded.

The army has moved units into the area of the raid but has had no contact with the 60 to 70-man guerrilla force. The ELN has a hard core of about 50 Cuban-trained guerrillas, but the raiding group appears to have been primarily students from La Paz. Although there is no evidence of direct Cuban support, Havana is showing a great deal of interest in the operations of the Bolivian guerrillas.

Top military leaders fear that an outbreak of guerrilla activity in one area of the country may

be accompanied by student and labor demonstrations elsewhere,

25X1 %

The ELN statement that leftist student leaders had gone to the countryside to join the guerrillas may have sparked the take-over by anti-Communist students of the university in La Paz. About 150 armed students seized the university on 22 July, depriving the leftist students of a safehaven and a staging center for demonstrations and other disruptive activities. The take-over appears to have had the blessing, and perhaps the active support, of the government, and troops are now outside the university in an apparent effort to prevent a leftist counterattack.

Coinciding with the guerrilla and student violence is a nationwide teachers' strike that could erupt into violence. The teachers are seeking support from other labor groups in their effort to break Ovando's freeze on wages. The wage freeze has been highly unpopular and the teachers' strike, if not settled soon, could spread to other sectors. President Ovando's handling of this problem will be closely watched by the military, which undoubtedly wants to avoid any clash with students or labor while it is faced with an apparent renewal of guerrilla activity.

25X1

ARGENTINA-BOLIVIA: The Argentine military is increasingly concerned about the deteriorating situation in Bolivia. The Argentines are proceeding with plans to provide military assistance if it is requested by the Bolivian Government.

25X1 😉

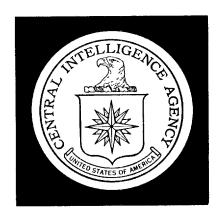


# **Secret**

# Secret

# Secret

25X1



DIRECTORATE OF INTELLIGENCE

# WEEKLY SUMMARY Special Report

Sekou Toure's Guinea

Secret

24 July 1970 No. 0380/70A



#### **SEKOU TOURE'S GUINEA**

The regime of Guinea's radical activist President Sekou Toure, now in its 12th year, is the oldest surviving government among the 29 black African countries that have made the transition from colony to independent state. Given the uniquely severe problems it faced at independence and the added difficulties brought on by some of Toure's policies, the regime's survival, security, and international prestige are no mean achievements. The cost has been heavy, however.

Toure started his country along an uncharted course in 1958 when Guinea, alone among the French African colonies, opted for immediate independence. The alternative would have been to join the new French Community, which De Gaulle had designed to maintain the hegemony France enjoyed in its sphere of Africa. Guinea's decision to become fully independent precipitated a break with France that was abrupt and painful. Paris withdrew its support and clearly indicated that it would like to see the Guinean experiment fail, lest Guinea's example prompt states still under French control to push for early independence. Moreover, De Gaulle took Toure's action as a personal affront. This further inhibited any reconciliation while the general remained in power.

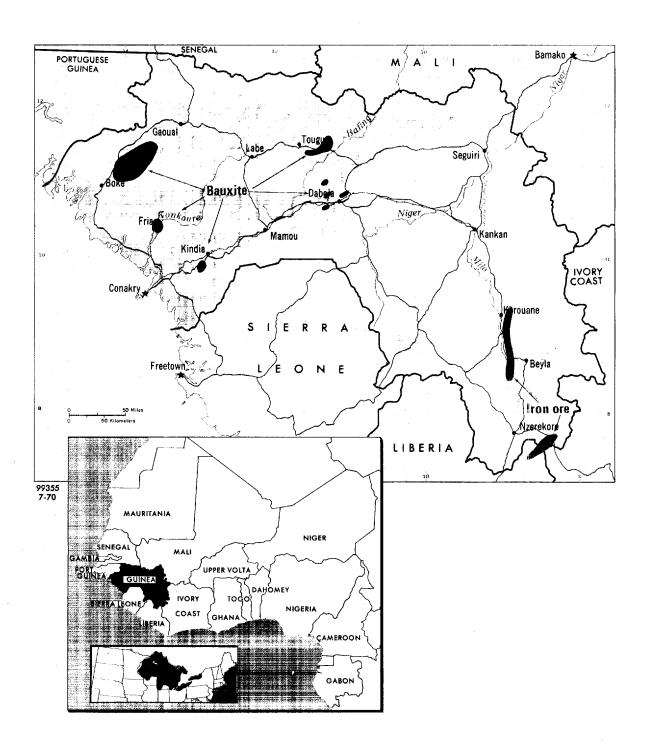
President Toure has solved few of Guinea's basic problems; yet the power structure he fashioned has outlived those of such erstwhile radical allies as Ghana's Kwame

Nkrumah and Mali's Modibo Keita as well as those of numerous less militant African leaders. Important to Toure's survival has been his ability to mold the Democratic Party of Guinea into one of Africa's most thoroughly organized and highly mobilized political parties. Other key factors are his tight control of the army and his ruthless suppression of political opponents.

Toure's political skills are also indicated by his ability to secure large amounts of foreign aid to soften the impact of his unproductive economic policies. During the 1960s, Guinea was one of the world's leading aid recipients on a per capita basis; Guinea, at present, is unique in black Africa in that its principal aid donors are the USSR, the US, and Communist China. It is doubtful that such high aid levels will be maintained throughout the 1970s, however, and Toure will be severely tested unless he can move Guinea's potentially rich economy off dead center.



**Sekou Ahmed Toure President of Guinea** 



Special Report

- 2 -

#### The Rupture with France

We prefer to be poor in freedom than to be rich in slavery.

Sekou Toure

In addition to the problems common to any country emerging from colonial rule, the Toure regime also faced special difficulties arising from its radical ideology and its abrupt break with France. Unlike those who were to assume power in many other African states, Sekou Toure was not a member of the traditional elite who had cooperated with the colonial rulers. Primarily self-educated, he is a product of the early, Communist-influenced African labor movement. Toure's rise came not because of the French, but in spite of them. His strong nationalistic beliefs and his socialist policies couched in Marxist terms placed him on a collision course with France's African policy. This culminated in Guinea's "no" vote in the 1958 referendum on De Gaulle's proposed Franco-African Community. Toure argued that the new French scheme would perpetuate Paris' hegemony and impede African unity.

The consequences of this boldness were both quick and serious. French civil servants and official representation were immediately withdrawn. French budgetary aid was ended and, because of the uncertain political climate, many foreign businessmen transferred funds out of the country. Frictions arising from old tribal animosities also surfaced, adding to the uncertainty. The fact that Guinea, at independence, had only 40 university graduates provides further perspective on the plight it faced.

Both countries' oversensitivity to real or imagined slights, plus Guinea's withdrawal from the French-controlled African franc zone in 1960, precluded any real cooperation. Toure soon became convinced that France and her African client states, which attained formal independence in 1960, were plotting his overthrow. Although ambassadors were finally exchanged between Paris and Conakry in 1961, relations remained

troubled and were severed entirely in 1965 amid new charges by Toure of French covert involvement in efforts to overthrow his regime.

#### Twelve Difficult Years

Indeed, Africa and Guinea must not accept, to the detriment of respect for its personality, of its civilization, and of its own structures, becoming an organic extension of any ideological system.

Sekou Toure

Toure hoped at first that other Western nations would immediately fill the aid vacuum caused by French withdrawal. This hope was dashed when-out of deference to French sensitivity-Paris' Western allies delayed recognition of the new government. The Communist states, on the other hand, were encouraged by the leftist ideology of many of Guinea's leaders and moved quickly to exploit the situation. Diplomatic relations were established, substantial credits were offered, and trade was redirected from France toward the Communist states. With Communist advisers presiding over the socialization of the embryonic modern economy, Conakry had become heavily dependent on Communist aid by early 1961.

The Communist states, continuing to build on these early efforts, have developed an extensive presence. Communist credits and grants since independence now total \$288 million, of which \$144 million has been drawn. About 1,000 Communist technicians were in Guinea in mid-1970, a number that will probably increase inasmuch as both the Soviet Union and Communist China have recently agreed to undertake major new development programs. There are frequent exchanges of government and party delegations, and Guinean organizations for youth, women, and labor have regular contacts with their Communist counterparts. Conakry prominently supports the international activities of several Communist front organizations.

Despite this close relationship, the Communist states have not escaped Toure's anger when he believed their activities threatened his position or infringed upon Guinea's independence. Two major crises in Soviet-Guinean relations have occurred, though neither seriously disrupted the flow of Soviet aid. In December 1961. Toure ordered the Soviet ambassador to leave because of his alleged involvement with Guinean teachers and students in antigovernment activities. Similarly, in 1969 Toure requested the Soviet ambassador's recall after learning of contacts between Soviet Embassy officials and individuals involved in an attempt to assassinate the President. Communist China, on the other hand, has had consistently good relations with the Guineans, who admire the unobtrusive and hardworking Chinese technicians, some 400 of whom are now in Guinea.

The 1961 crisis in Soviet-Guinean relations was followed by a general movement toward improved relations with the West, although Conakry stopped well short of abandoning its leftist stance in foreign affairs. Toure's attempts to reduce economic dependence on Communist states resulted in substantial US aid commitments in 1962. Relations with the US, as with the Soviets. have been marked by periods of trauma, however. The level of US aid gradually increased until 1966, but dropped sharply when a crisis erupted in US-Guinea relations and when the US introduced a new African aid policy favoring regional over bilateral aid. Since then, relations have steadily improved, but economic grants have not reached pre-crisis levels. Instead, most US aid has been in the form of long-term loans. Through 1969, the US had extended about \$107 million in economic assistance, of which \$25 million is a long-term loan granted in 1969 by the US Export-Import Bank.

On the African scene, political isolation has been a continuing problem. Close Communist ties have alienated Guinea from its more moderate neighbors. Conakry is consistently to the left of most African governments on questions of labor policies and African unity. Moreover, withdrawal from the franc zone and establishment of an unbacked national currency have cut off regional trade.

Another alienating factor has been Toure's practice of harboring dissidents or exiles from other African countries. Most notable among these is Kwame Nkrumah, who was granted asylum following his ouster in 1966. His presence in Conakry continues to block any improvement in relations with Ghana's current government.

#### **Economic Failure**

Since the accession of Guinea to independence, the leaders of the movement have had to affirm the supremacy of political action in the leadership of the State of Guinea.

Sekou Toure

Although Guinea's economic potential is considerable—it reportedly has the third richest lode of bauxite in the world as well as rich iron ore deposits—economic stagnation has been one of the country's most severe problems over the past twelve years. A major contributing factor is the regime's insistence on the primacy of political goals. An important example is the adoption of the unbacked national currency, a step taken in 1960 because Toure believed it was required by Guinea's national independence and dignity. Despite the adverse economic effects, this currency is still retained for political reasons.

Another factor contributing to economic stagnation is the government's tight central control of the economy. This has resulted mainly in consumer shortages, inflation, and an extensive but inefficient government apparatus. Since independence, agricultural exports have remained about the same, while food imports have gone up. The increase of total output barely keeps pace with population growth; smuggling and black market activities are well developed. The domestic result of tight control has been more political repression rather than economic improvement. The extent of popular dissatisfaction is

Special Report

indicated by the number of Guineans who have emigrated to neighboring countries—estimates run as high as one sixth of the population.

In the hope of producing some economic momentum, Toure has turned increasingly toward private foreign investment despite his commitment to socialism. Private foreign investment in Guinean bauxite totals about \$260 million, with the US share accounting for about one half. At present, negotiations are under way with a consortium of private foreign firms that wants to exploit Guinea's iron ore deposits.

The failure of the regime's economic policies is causing strains within the leadership. Moderates want more pragmatic approaches while the more radical members—either believing their control or their revolutionary ideals threatened—stress ideological commitment. Discontent also exists among some of the younger party militants. At a party meeting last year, student leaders from Guinea's only university accused the leadership of ignoring corruption at the top and of betraying the revolution. The growing Western presence in Guinea's socialist economy lends substance to their charges of betrayal.

#### The Toure System

Supremacy having been given to the Party, nothing can work smoothly...where the Party suffers from...lack of authority,

From now on, no action of public nature can be taken without the authorization of the Party.

Sekou Toure

Toure's ability to survive in the face of such severe problems lies in his charisma and courage, his toughness toward opponents, his political and organizational skills, and his program's continued, albeit diminishing, popularity. He is without doubt the most prestigious and powerful man in Guinea. The 48-year-old President, one of the first organizers of the political and trade union

movement in Guinea, also gained considerable prestige at home and among African nationalists generally by his early break with France. Toure's subsequent inability to improve the standard of living for most Guineans or to advance his concept of African unity has diminished his prestige, however.

Although Toure denounces dogmatism, ideology—in the form of 15 volumes of his thoughts—plays an important role in Guinea. This emphasis on ideology strengthens the power of party leaders and renders the citizenry more responsive; it is also a source of solidarity in a country that had no history as a nation prior to 1958. More than most African leaders, Toure is committed ideologically to African unity, to a one-party system, and to state control of the economy. He regards capitalism as exploitive, creating harmful social divisions. Although Toure has allowed more and more private foreign investment, this is no more than expediency and has not altered his basic distrust of capitalist nations.

The President's political skills have been demonstrated by his success in merging Guinea's numerous tribal-based political parties into a strong centralized organization, the Democratic Party of Guinea (PDG). Following independence, the PDG moved to replace the traditional tribal leaders with party workers, under the guise of an attack on tribalism. This goal was popular among youth and women because they had a low status in traditional society and reform offered them new opportunities for advancement. Both groups remain among Toure's most staunch supporters. The PDG apparatus also was expanded in size and was given new duties, including distribution of rice and land. Although the depth of change is difficult to measure, the extent to which traditional institutions have been supplanted by party organs justifies Toure's claim of having engineered a radical revolution.

The basic unit of the PDG is its 8,000 base committees that function as a local government. The main links between the masses and the

Special Report

leadership, these base committees play a crucial role by explaining policy, organizing the people to carry out decrees, and, theoretically at least, keeping the leadership apprised of local views.

In contrast to many other West African leaders, Toure has had considerable success in bringing his security forces under party discipline. Toure's wariness of the military's potential was heightened in November 1968 by the coup against his ally, President Modibo Keita of Mali. Less than two months later, Toure launched a number of reforms aimed at strengthening his own position. Not only were political committees established in all major army units, but the army's professional role was downgraded by integrating soldiers into the civil service and assigning them economic as well as regular military duties. In early 1969, Toure announced the discovery of an antigovernment plot within the armed forces, and several officers were purged. Apparently cowed by such attacks, the military has not shown an inclination to challenge the President.

Political control is the primary function of the PDG, but the party has also been used as an instrument for social reform. For example, a 1968 meeting of party leaders launched Guinea's "cultural revolution." Although most programs usually contain more rhetoric than substance and evolve into devices to further solidify PDG control, some reforms have been accomplished over the years. Successes include some reduction in the divisive effects of tribalism, transformation of an inappropriate school system inherited from the French, and inclusion of women and youth in the cultural life of the nation.

#### Outlook

Despite the regime's unproductive economic policies and tendency toward repression, there is no evidence of an organized domestic threat to Toure's rule. The populace remains passive though considerably discontented, the military seem firmly under PDG control, and party organization remains solid.

Unless Toure produces economic results, however, internal strains will deepen. His present policy of seeking to provide economic momentum through foreign investment is politically dangerous. It risks strengthening technocrats, whom Toure distrusts, while leaving him vulnerable to criticism from the left. A current emphasis on more internal militancy is, in part, Toure's attempt to prevent exploitation of this contradiction by regime opponents.

The stability of Toure's government also hinges on a continued high level of foreign aid, particularly food shipments. Aid will be especially important until 1972, when new mining ventures are expected to provide some relief. A need for new aid sources probably contributed to Toure's decision in late 1969 to seek a political rapprochement with France and Ivory Coast—his primary political opponents. The Guinean initiatives have been met with cautious but positive responses in both Paris and Abidjan. Should a rapprochement develop, it would significantly advance Toure's efforts to end Guinea's economic and political isolation in Africa.

25X1

# **Secret**

# **Secret**

